

# Court OKs more Grace money to help Libby

Staff and wire reports

A federal court in Missoula has approved an agreement for W.R. Grace to pay \$2.75 million in health benefits for the Libby community, beyond those already provided for in its medical program.

The Supplemental Environmental Project agreement is part of a settlement of a judicial case brought by the Environmental Protection Agency and the Department of Justice in 2000 seeking penalties for failure to provide access for cleanup in Libby. Access was granted by the federal court in March 2001.

Meanwhile, the Environmental Protection Agency has agreed to expand cleanup efforts in Libby to include the removal of asbestos-laced insulation from area homes.

EPA Administrator Christie Whitman made the announcement Thursday during a conference call with Gov. Judy Martz, Rep. Denny Rehberg, R-Mont., and Sen. Conrad Burns, R-Mont.

The cleanup of the home insulation, which had been requested by the EPA's

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onsite supervisor in January, is expected to begin this summer, Martz said.

According to a press release from the EPA, the approval of the health-benefit agreement with W.R. Grace by the U.S. District Court follows a similar approval by the bankruptcy court in Delaware overseeing W.R. Grace's bankruptcy proceeding.

To fund the health care, W.R. Grace is required to pay the \$2.75 million into an escrow account by June 3. Grace must also pay \$71,000 in penalties to the United States

in accordance with resolution of the bankruptcy case.

A Supplemental Environmental Project is a tool that EPA uses as part of its enforcement cases to direct private funds towards environmentally worthwhile projects that will provide an appropriate benefit to the community which was harmed by the company's actions or environmental harm.

The SEP provides funds for such benefits as nursing home care beyond the 60 days allowed in Grace's present health care plan. Libby residents can also qualify for

nursing home care without the three-day hospital stay that Grace currently requires. The new agreement covers payment of screening costs for those people whose X-rays and lung function tests do not indicate asbestos related disease.

Future screening on a periodic basis for residents who have been exposed to Libby vermiculite will also be paid as a result of the environmental agreement. The SEP funds are expected to be administered by the newly formed Asbestos Related Health Care Project Inc.

Asbestos, a recognized

human carcinogen, is known to cause lung cancer and mesothelioma, a lethal tumor of the lining of the chest and abdominal cavities. Soil containing asbestos may continue to pose a risk to the health and safety of people living in contaminated areas and the surrounding community.

EPA and the Department of Justice have also filed a separate case for recovery of money spent on asbestos cleanup performed and to be performed in Libby.

That case is not resolved this settlement and is likely to continue into litigation through 2003.

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